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PROVISIONAL SUMMARY RECORD OF THE 40th MEETING

Held at the Palais des Nations, Geneva,
on Wednesday, 23 July 1997, at 3 p.m.

President: Mr. CHOWDHURY (Bangladesh)
(Vice-President)

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In the absence of Mr. Galuška (Czech Republic), Mr. Chowdhury (Bangladesh), Vice-President, took the Chair.

The meeting was called to order at 3.15 p.m.

REPORTS, CONCLUSIONS AND RECOMMENDATIONS OF SUBSIDIARY BODIES (agenda item 7) (continued)

(d) HUMAN RIGHTS QUESTIONS (continued)

Ms. SYAHRUDDIN (Observer for Indonesia), speaking on behalf of the States members of the Organization of the Islamic Conference (OIC), reiterated her earlier request that her delegation's statement of 22 July should be published and circulated as an official document of the Council and the General Assembly; that sub-heading E.3 entitled "Islamist and Arab Anti-Semitism" of the report of the Special Rapporteur on contemporary forms of racism, racial discrimination, xenophobia and related intolerance (E/CN.4/1997/71) should be deleted and that that deletion should be mentioned in the Council's report on its current session.

Mr. KAABACHI (Tunisia) said he associated himself with the statement by the representative of Indonesia.

Ms. STARR NEWELL (Assistant Secretary of the Council) said that the text of the statement by the representative of Indonesia would be circulated no later than the following morning.*

IMPLEMENTATION OF THE DECLARATION ON THE GRANTING OF INDEPENDENCE TO COLONIAL COUNTRIES AND PEOPLES BY THE SPECIALIZED AGENCIES AND THE INTERNATIONAL INSTITUTIONS ASSOCIATED WITH THE UNITED NATIONS (agenda item 9) (A/52/159-E/1997/69, A/52/179-E/1997/76; E/1997/81; A/52/185; E/1997/L.48)

Mr. RIVERO ROSARIO (Cuba), representative of the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, introduced the report of the Secretary-General on implementation of that declaration by the specialized agencies and the international institutions associated with the United Nations (A/52/185). The remaining territories covered by the Declaration were small islands, primarily in the Caribbean and Pacific, which faced unique problems owing to their small size and population, limited natural resources and vulnerability to natural disasters and environmental hazards.

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* Subsequently circulated as document A/52/256-E/1997/108.

The General Assembly had repeatedly stated, however, that those factors should in no way prevent the peoples of those Territories from exercising their inalienable right to self-determination and independence and, in 1988, had launched an international decade and adopted a Plan of Action designed to achieve that goal by the year 2000. The administering Powers and specialized agencies, particularly the United Nations Development Programme (UNDP), had an important role to play in ensuring the sustained economic and social advancement of Non-Self-Governing Territories which was an essential prerequisite to the implementation of the Declaration. There was a need for cooperation between the specialized agencies and international institutions and for improved, increased and streamlined assistance in the areas of the environment, natural disasters, public health, education, food self-sufficiency, fisheries, crime prevention and illicit trafficking.

Those problems had been emphasized at the Caribbean Regional Seminar held at St. Johns, Antigua and Barbuda, in May 1997, which had called on the Special Committee to assist the Non-Self-Governing Territories and to participate in the relevant United Nations programmes and projects. On 20 June 1997, the Special Committee had adopted a resolution which requested the specialized agencies to accelerate social and economic programmes for and continue to monitor environmental conditions in the Non-Self-Governing Territories and called on the administering Powers to protect the environment of those Territories and take measures to counter problems related to drug trafficking, money laundering and other offences.

He appealed to the Council to ensure implementation of its resolution 1996/37 on the subject and hoped that the administering Powers would facilitate the participation of appointed and elected representatives of the Territories in the meetings and conferences of the specialized agencies.

Ms. ASHIPALA-MUSAVYI (Observer for Namibia) said it was important to remember that the peoples of the Non-Self-Governing Territories were also very vulnerable from an environmental point of view. She welcomed the establishment of the Small Island Developing States Information Network (SIDSNET) and Small Island Developing States Technical Assistance Programme (SIDSTAP) (E/1997/81, para. 16) and the participation by UNDP and

the World Health Organization (WHO) in the recent Caribbean Regional Seminar; it was unfortunate, however, that no other United Nations agencies had participated.

The economic and social well-being of the people living in the Non-Self-Governing Territories must be viewed within the context of the legitimacy of their desire for self-development, which had been recognized by the General Assembly, the Security Council and other United Nations bodies. Her delegation therefore fully supported the draft resolution on the subject (E/1997/L.48).

The PRESIDENT said he assumed that the Council wished to take note of the Secretary-General's reports (A/52/159-E/1997/69, and A/52/185) and the report of the President of the Council on his consultations with the Chairman of the Special Committee (E/1997/81).

It was so decided.

Draft resolution on implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples by the specialized agencies and the international institutions associated with the United Nations (E/1997/L.48)

Mr. AMAT FORES (Cuba), introducing the draft resolution on behalf of its sponsors, said that its primary purpose was to request the specialized agencies and other United Nations bodies and international and regional organizations to increase their assistance to the Non-Self-Governing Territories and to request the administering Powers to facilitate participation by the representatives of the Territories in conferences held by such organizations.

The PRESIDENT said that the Council would postpone action on the draft resolution until the following day.

IMPLEMENTATION OF GENERAL ASSEMBLY RESOLUTION 50/227 (agenda item 12) (E/1996/97 and Add.1, A/52/155-E/1997/68 and Add.1, E/1997/78 and 101)

Report of the Secretary-General on restructuring and revitalization of the United Nations in the economic, social and related fields (A/52/155-E/1997/68 and Add.1)

Mr. KHAN (Division for Policy Coordination and Economic and Social Council Affairs), introducing the report, said it was the second progress report on implementation of General Assembly resolution 50/227. The Council had made significant progress in the follow-up to conferences, establishing

a closer relationship with the Bretton Woods institutions and improving its oversight role of the functional commissions and its operational activities for development. Further progress was, however, needed in the areas of resources mobilization, streamlining the agendas and related documentation of the Council and of the Second and Third Committees of the General Assembly and ensuring complementarity between the work of the General Assembly and that of the Council.

A separate note prepared by UNDP (E/1997/101) described the steps taken in preparation for a joint United Nations/Bretton Woods institutions review pursuant to General Assembly resolution 50/227 and Council resolution 1996/43. The note described cooperation between the Secretary-General and the Bretton Woods institutions, the results of a preliminary questionnaire on cooperation at the country level and action by the International Monetary Fund (IMF) and the World Bank in response to General Assembly and Council resolutions. There was also a separate note on IMF cooperation with the United Nations (E/1997/78). The Secretary-General's note (E/1997/101) recommended that a report on the joint review should be submitted to the Council at its substantive session of 1998.

He also drew the Council's attention to the addendum to the Secretary-General's report (A/52/155/Add.1-E/1997/68/Add.1), which showed that the costs of holding Council sessions at New York and at Geneva were roughly comparable. It should be borne in mind, however, that optimum use of conference facilities would also contribute to cost effectiveness by avoiding unnecessary strain on the facilities at any one location.

Mr. ISAKOV (Russian Federation) said that, while the Secretary-General's report provided an inventory of efforts made to implement resolution 50/227, it offered scant analysis of the results. Proper interaction between the Second and Third Committees was still lacking. Delegations should also be better informed, and items grouped in a more logical order. The number of resolutions should be decreased and new formats for discussion encouraged, in order to reduce the number of monologues at the General Assembly. Documentation should also be streamlined and issued on time, and delegations should exercise restraint in demanding additional reports. His delegation welcomed the early distribution of unedited documentation, whether as hard copies or on the Internet.

As for the Council, its working methods should be reviewed more frequently and realistically. Coordination issues had not been discussed properly at the current session, and the heads of the funds, programmes and specialized agencies had largely been absent during the debate, despite being members of the Administrative Committee on Coordination (ACC). Furthermore, a number of the initiatives being lobbied by individual delegations lay far outside the Council's traditional mandate. The Council was still overburdened with items marginal to its coordinating role.

His delegation questioned the wisdom of entrusting an appropriate body with preparing for the following high-level segment (A/52/155-E/1997/68, para. 16). Although a special joint meeting between the Council and Bretton Woods institutions in spring 1998 was not to be discouraged, he wondered whether there was any real need for it, since no theme had been agreed upon.

The Secretary-General's report would have benefited from greater analysis of the Council's interaction with the funds and programmes and comments on the relationship with the international financial institutions could have been more "action-orientated".

Ms. KIRSCH (Luxembourg), speaking on behalf of the European Union, said that resolution 50/227 marked an important stage in the restructuring and revitalization of the United Nations in the economic, social and related fields. The Council must continue to streamline and restructure its agenda to ensure adequate coverage. For its part, the Union and its members had been actively participating in the Council's review of the subsidiary bodies and regional commissions, which had begun auspiciously.

The report on cooperation between the United Nations and the International Monetary Fund (IMF) (E/1997/78) was an informative one, which testified to the cooperation efforts already under way.

Mr. MCHUMO (Observer for the United Republic of Tanzania), speaking on behalf of the Group of 77 and China, said that the Council had been mandated under resolution 50/227 (sect. V) to begin the review of its subsidiary bodies. Since no clear consensus had yet emerged, the debate should continue at the Council's resumed session.

The working methods of the Commission on Science and Technology for Development could be improved and a focus on priorities for developing countries (such as technology transfer and capacity-building) ensured. The

Commission's functional status and mandate should, however, be maintained, since subsuming it under any other body would reduce its cross-sectoral scope.

The Committee on New and Renewable Sources of Energy and Energy for Development should be retained, since it had a comprehensive approach to energy issues. Developing countries would, however, welcome a greater focus on new and renewable sources of energy.

There was an emerging consensus that water-resource issues could be transferred from the Committee on Natural Resources to the Commission on Sustainable Development, with a view to initiating a strategic and comprehensive approach to the sustainable use of freshwater. It remained to be determined whether the Committee's mandate should be focused on mineral resource issues, or whether alternative arrangements should be made.

The Group of 77 and China were in favour of retaining the mandate of the Committee for Development Planning but of including within its terms of reference an analysis of themes chosen for the Council's high-level segment or of themes submitted by other United Nations bodies. The Committee should also continue categorizing the least developed countries (LDCs). It might possibly be renamed the "Committee on Development Issues".

Ms. AQUILINA (Observer for Malta), having praised the comprehensive nature of the documentation provided under the item and expressed support for the Secretary-General's recommendations on economic and social affairs, said that the Council should take speedy action on the decisions relating to subsidiary bodies so as not to retard the reform process.

Mr. SFEIR-YOUNIS (World Bank) stressed the Bank's readiness to cooperate in the implementation of resolution 50/227. Cooperation and the formation of effective partnerships were essential to any strategy for future relations with the United Nations, and were central to the Bank's "Strategic Compact".

Overlapping must indeed be minimized, to avoid unnecessary wastage of time and resources, and partnerships must be based on a proper understanding of individual mandates and relative comparative advantages, since the bodies

concerned shared a virtually identical membership. Such was the value of diversity. Since all the organizations were undergoing reforms, attention should be focused on the future, not on the past.

At the policy level, the instruments for coordination included bilateral and multilateral consultations by heads of agencies, debates on joint work programmes and strategies, and the drafting of various agreements and memoranda of understanding.

At the institutional level, exchange primarily involved maximizing synergy at all levels of decision-making on areas including communications, information exchange, cost sharing, project managing and financing.

At the operational level, cooperation occurred on hundreds of fronts, a well-known example being the Bank's full partnership in the Special Initiative for Africa. Joint projects were being conducted with nearly every agency of the United Nations system. Certain collaborative efforts dated back many years (such as those with the Food and Agricultural Organization (FAO)). Informal modes of cooperation also made a substantial contribution to development and produced excellent results.

Mr. LOZANO ARREDONDO (Mexico) said that his delegation, which had always supported the restructuring and revitalization of the United Nations as part of an improved multilateral system, deemed it important to increase the effectiveness of intergovernmental activities as a means of reducing overlapping between United Nations bodies. It was unfortunate that the addendum to the Secretary-General's report (A/52/155/Add.1-E/1997/68/Add.1) provided a purely numeric assessment rather than a broader evaluation and suggestions for simplification of the system of rotation of the Council's sessions between New York and Geneva, which had a major effect on meeting scheduling and participation. His delegation would reserve more detailed comment for the discussion in the General Assembly.

Mr. WINNICK (United States of America), having emphasized the importance of fully implementing resolution 50/227, said it was to be hoped that the item would be taken up again at the resumed session on the basis of a further progress report. The Council should provide guidance for improved coordination of the complex debate on its subsidiary bodies, which was occurring in a number of forums. The Bureau must be highly active throughout the year, and, in fact, the Council should function more like a Board.

In a time of limited resources, close cooperation between the international financial institutions and the United Nations was essential. It was clear from the reports (E/1997/78 and 101) that much still remained to be done. UNDP, with its budget of US$ 1 billion, could, for example, usefully complement the work of IMF and the World Bank.

Paradoxically, the report on cooperation between the United Nations and IMF (E/1997/78) had been compiled by the IMF alone, in the absence of any real collaboration, although it did admit that better collaboration would be useful for the preparation of Country Strategy Notes (CSNs) and national Policy Framework Papers (PFPs).

Mr. HYNES (Canada) said he agreed with previous speakers that discussion of the agenda item should continue at the Council's resumed session. It was unreasonable to expect serious debate on the lessons learned to date, since cooperation with the international financial institutions was in its early stages only. The fruitful debate with the heads of the international financial institutions and heads of funds and programmes at the beginning of the current session might have been followed through more effectively. Future debate should thus include more issues of interest to the heads in question.

Ms. HAWKINS (Australia) said she agreed on the need for further discussion of the item at the resumed session. Her delegation had been very encouraged, however, by the progress made in reviewing the subsidiary bodies.

Mr. ZULU (International Monetary Fund (IMF)), replying to the representative of the United States, explained that the Fund's report (E/1997/78) was not intended to stand alone, but to serve as a contribution to a larger report that was to be produced by the United Nations system. IMF had taken the opportunity to conduct a survey of what was happening "on the ground", which had proved highly beneficial.

Cooperation with the United Nations had been evolving for pragmatic reasons, since it enriched the policy focus. All the institutions involved in the process were in a state of considerable flux. Reforms at IMF ranged from the revision of Data Dissemination Standards to the New Arrangements to Borrow. Articles of agreement were being amended in order to liberalize the

capital account, and IMF was increasing its contributions to developing countries. Much cooperation was occurring, in a sense, behind the scenes, since it was impossible to record it all.

Mr. CABACTULAN (Philippines) said he agreed that the Council should devote more time to ensuring that resolution 50/227 was implemented to the satisfaction of all delegations. It should also recommend to the executive boards of funds and programmes that they urgently review and regularly monitor institutional restructuring and financing arrangements, with a view to enhancing the security and predictability of core funding for meeting programme targets and country requirements. The Council should make its own funding decisions in accordance with resolution 50/227, and review the situation at the following year's session.

Mr. KHAN (Division for Policy Coordination and Economic and Social Council Affairs) said that the Secretary-General's report should perhaps be seen within the larger context of what had happened at other meetings and of the whole reform process, particularly the Track Two reforms. While some elements of the report might seem rather thinly covered or insufficiently analytical, it should not be forgotten that the analysis of the reports of the executive boards of the funds and programmes and the oversight role of the Council had been the subject of a separate note by the Secretary-General, on which there had been no discussion.

On the question whether significant improvements had in fact been made in the consideration of the Council's report by the General Assembly, he noted that paragraph 27 of the report stated only that significant improvements had been made in the structure and presentation of the Council's report with a view to assisting the Assembly in its deliberations. The Council's most recent report did, in fact, differ significantly from the earlier ones in its structure and presentation, and the Second and Third Committees had acknowledged the improvement.

As for the question whether it was appropriate to entrust preparations for the high-level segment of the Council to one of the functional commissions, he referred to paragraph 16, which made it clear that the involvement of a functional commission was to be regarded as only one aspect of the preparatory procedure. The recommendation was drawn from recent

experience. The Secretary-General was not abdicating his own responsibility to make a full and comprehensive evaluation of any input by a functional commission or other body.

As for the joint exploratory review by the United Nations and the Bretton Woods institutions called for in resolution 50/227, and the question of streamlining the agendas of the Second and Third Committees, the Secretary-General's report could only present the situation as it existed: it was for the Member States to debate the issues which the Secretary-General had identified. Consultations had taken place with the international finance and trade institutions and some agreement had been reached on how such a meeting should be prepared, what kinds of things could be done in it and how the meeting itself should be handled.

The representative of Mexico had pointed out that the note prepared by the Secretariat (E/1997/68/Add.1) focused only on the cost estimates of the substantive session of the Council. The fact was that, while recognizing the broader aspects, resolution 50/227 focused in a major way on the issue of costs and it was not altogether clear how the other aspects of arrangements for sessions of the Council could be assessed. The participation aspect came largely within the purview of Member States and the Secretary-General would find it difficult to determine what the implications of the location of the sessions might be in terms of participation.

As to the dates and duration of the sessions, the Council had recently discussed those matters and agreed on them. The Council was currently engaged in its first four-week substantive session but suggestions had been put forward about spreading its work over the year. The Secretariat had felt that the time was not ripe for the Secretary-General to put forward new ideas and proposals in that regard and had therefore refrained from addressing the question of the duration and dates of sessions. A useful discussion had taken place which the Bureau would be able to use as a basis for its own proposals regarding the recommendations.

The PRESIDENT said that he wished that the Council had been able to give more in-depth attention to what was clearly a very important item that should, perhaps, have come earlier in the agenda. Section II of the Secretary-General's report contained a number of recommendations in connection with the implementation of General Assembly resolution 50/227, on the funding of operational activities for development, on the General Assembly, on

documentation and related matters, on the Council and on the relationship between the United Nations and the international financial and trade institutions. It was not clear whether the Council was ready to adopt those recommendations. It had been suggested that consideration of the item should be continued at the resumed session, but there was a timing problem. Some of the recommendations related to the work of the Second and Third Committees of the General Assembly. If the Council's resumed session were held any later than the beginning of September, the Assembly Committees would not be able to take advantage of them and they would be delayed for a year or more.

If the resumed session was scheduled for early September, the Bureau of the Council would need to formulate recommendations for adoption by the Council and arrange for them to be examined at the resumed session, which would then recommend that the General Committee of the General Assembly should take them into account in organizing the Assembly's work. He needed the Council's guidance. If its members were not ready to adopt the recommendations at once, he wondered whether they would agree to take them up at a resumed session early in September, with a view to forwarding them to the General Committee of the General Assembly.

Ms. KIRSCH (Luxembourg), speaking on behalf of the European Union, said that it would be preferable to address the recommendations in a wider framework at the resumed session in September.

Mr. CABACTULAN (Philippines) said that adoption of the recommendations should be postponed, since some of them needed very careful examination. He mentioned, for example, the section on funding of operational activities for development, matters connected with which would be included in the resolution to be adopted on operational activities. The recommendations should be considered in greater detail at a resumed session, which should be held as early as possible so as not to interfere with the work of the Group of 77 regarding follow-up action to implement resolution 50/227. For the moment, the Council should take note of the report and decide to continue the consideration thereof at its resumed session.

The PRESIDENT said that his suggestions applied only to the recommendations in section A of part II of the report. Paragraphs 20, 21 and 22 were in section B and related to implementation.

Mr. ISAKOV (Russian Federation) said that it looked as though the Council would have to revert to the item at its resumed session. For the time

being, the President should hold informal consultations on the issues that had been raised with a view to presenting proposals for adoption at the resumed session.

The PRESIDENT said that the documents in question were also listed as General Assembly documents, but not in the context of "Organization of Work". As he saw it, they were related to that item rather than to item 58, on the "Restructuring and revitalization of the United Nations in the economic, social and related fields". By the time that item came up in the Second Committee, the work programme would already have been decided.

The Council might thus wish to decide that the implementation of General Assembly resolution 50/227 should be considered at its resumed session; that the Bureau should make some suggestions on how to proceed with regard to the recommendations contained in the documents; that the item entitled "Implementation of resolution 50/227" should be at the head of the Council's agenda and that the resumed session should be held in the first 10 days of September so that the Council's recommendations could be sent to the President of the General Assembly for reflection in the organization of the work of the Second and Third Committees.

Mr. MEYER (Luxembourg) said that, if the resumed session was going to take up all the outstanding issues, it might have to last some time.

The PRESIDENT said that the Council could postpone its decision to the next meeting when the proposed calendar of conferences for September would be available. It was important, however, that it should take a decision as to the dates of the resumed session.

Mr. KAMANDO (Observer for the United Republic of Tanzania), speaking on behalf of the Group of 77 and China, asked the Bureau to consider recommending that the resumed session should take place at the very beginning of September, since a Ministerial Meeting of the Group of 77 was scheduled for later in that month.

Mr. PEDROSO CUESTA (Cuba) said that there was usually a hiatus in the work of the Second and Third Committees of the General Assembly at the end

of October and beginning of November, when the resumed session of the Council was usually held. He asked why the resumed session could not take place at that time.

The PRESIDENT said that, by that time, the Second and Third Committees would be winding up their work and becoming involved in the formulation and adoption of resolutions. The recommendations on the implementation of resolution 50/227 were related to the work of the General Assembly, more specifically to its documentation and organization of work, and should thus reach the General Committee at the very start of the General Assembly's session. There was, indeed, a specific recommendation in resolution 50/227 that the Council's resumed session should be held before the start of the General Assembly's session.

If there was no objection, therefore, he would declare the discussion of agenda item 12 closed for the time being, on the understanding that the Council would take a decision on the matter at its next meeting.

NON-GOVERNMENTAL ORGANIZATIONS

(a) REPORT OF THE COMMITTEE ON NON-GOVERNMENTAL ORGANIZATIONS

(b) INCREASE IN THE MEMBERSHIP OF THE COMMITTEE ON NON-GOVERNMENTAL ORGANIZATIONS

(agenda item 13) (E/1997/90; E/1997/L.45)

The PRESIDENT invited the Council to take action on the five proposals contained in chapter I of the report of the Committee on Non-Governmental Organizations (E/1997/90). The Secretary would inform the Council of any programme budget implications.

He invited the Council to consider the two draft resolutions contained in chapter I, section A, entitled "Enlargement of the Committee on Non-Governmental Organizations" and "Strengthening of the Non-Governmental Organizations section of the United Nations Secretariat", respectively.

Ms. STARR NEWELL (Assistant Secretary of the Council) said that the two draft resolutions had no programme budget implications.

The two draft resolutions were adopted.

The PRESIDENT invited the Council to consider the three draft decisions contained in chapter I, section A. Draft decision I was entitled "Applications for consultative status". If it adopted that draft decision the

Council would grant consultative status to a number of non-governmental organizations that were listed therein. There were clearly no programme budget implications.

Draft decision I was adopted.

Mr. WINNICK (United States of America) said that his delegation disassociated itself from the Council's approval of consultative status for five Cuba-based organizations listed in draft decision I: the Felix Varela Center, the Federation of Cuban Women, the Latin American and Caribbean Continental Organization of Students (OCLAE), the National Association of Cuban Economists, and the National Union of Jurists of Cuba, since his Government believed that those groups did not meet the definition of an independent NGO. Moreover, it had doubts regarding the contribution they could make to furthering the goals and principles of the United Nations. It had opposed granting them consultative status in the Committee on Non-Governmental Organizations and it opposed the decision just taken by the Council.

Ms. VALLE CAMINO (Cuba) said that the five Cuba-based NGOs named by the representative of the United States were all legitimate and independent organizations having their own statutes and financial arrangements. They all enjoyed the status of national NGO under Cuban law, apart from OCLAE, which was an international organization whose activities were not contrary to the principles and purposes of Cuban social policy.

Some Governments, determined to interfere in Cuba's national affairs, argued that NGOs not working against the Cuban Government should never be given recognition. Nevertheless, the organizations cited represented the interests of the Cuban people and giving them special consultative status would enable them to work effectively with the Council and within the United Nations system.

The PRESIDENT invited the Council to consider draft decision II, whereby the Council would authorize the Committee on Non-Governmental Organizations to hold a one-week resumed session in January 1998, and draft decision III entitled "Meetings of the Committee on Non-Governmental Organizations".

Ms. STARR NEWELL (Assistant Secretary of the Council) said that no additional appropriations would be required and the draft decisions thus had no programme budget implications.

Draft decisions II and III were adopted.

The PRESIDENT invited the Council to take action on the draft decision, proposed by Germany, regarding the participation of non-governmental organizations in several functional commissions of the Council (E/1997/L.45). The draft had been cleared in informal consultations and was strictly procedural.

Draft decision E/1997/L.45 was adopted.

Mr. HARRIS (President of the Conference of Non-Governmental Organizations in Consultative Status with the Economic and Social Council) said that, underlying the specific decisions the Council had just taken, there were some large issues of a conceptual, political and practical nature which affected the relations between United Nations and NGOs.

The consultative status of NGOs flowed from the provisions of the Charter of the United Nations. There had been an increasing use of the term "civil society", grouping NGOs under the same heading as the private sector. There were, however, some quite serious questions with regard to the definitions of NGOs and "civil society", and it was important to make a distinction between those two components of civil society, because of the significant difference between the participation of NGOs working on behalf of their constituents, and the participation of specific enterprises, in particular, multinational enterprises.

At a recent meeting between the Board of the Conference of NGOs and the Secretary-General of the United Nations, the Board had asked the Secretary-General to comment on the emphasis on the involvement of the private sector in United Nations activities. In his response, he had explained that the justification for such interest lay in the fact that, in recent years, there had been a decrease in official development assistance (ODA) and an increase in private investments.

It was important to recognize, however, that most such investments were earmarked for about 12 countries, and that such investment did not necessarily

address real development issues. NGOs, on the contrary, represented all constituencies, and their main task was to bring those constituencies within the ambit of United Nations activities.

The Conference of NGOs endeavoured to facilitate and improve the collective relationship between NGOs and the United Nations. It was to that end that the Conference had adopted the theme "Defining the Future". The Secretary-General had also alluded to the idea of holding a "Forum of the Millennium" in the year 2000. Such a forum would again raise the issue of representation. The definition of such representation in a legitimate, credible and effective manner would be a major challenge.

A few years previously, the then President of the Council had asked whether NGOs might consider commenting on applications to the Council's Committee on Non-Governmental Organizations for consultative status and on whether certain NGOs should continue to have consultative status. It had been difficult to respond to such a delicate issue at the time. That question had since, however, re-emerged in very concrete terms upon the adoption of a decision at the Council's substantive session of 1996 to place the National Rifle Association of the United States on the roster of NGOs with consultative status; a decision that had scandalized many NGOs.

The Conference of NGOs with Consultative Status had thus decided to submit a proposal to the next Assembly to change the rules of the Conference whereby it would be composed of NGOs having consultative status which accepted the aims of the Conference. Consultative status had hitherto been the sole prerequisite for admission. The purpose of the proposal was to provide an unprecedented opportunity for the NGO community to say whether an organization that had been admitted to consultative status should also be admitted to the body that studied the global issue of relations between the United Nations and NGOs.

On the practical aspect of those relations, he welcomed the Council's decision to reinforce the secretariat working with NGOs. In addition, in seeking improved services and effectiveness, it was essential to address the need for greater coherence within the secretariat with the various departments which liaised with NGOs.

The Council had spent three years working on a review of the status of NGOs which had resulted in the adoption of a resolution leading to an increase in the number of NGOs obtaining consultative status. Nevertheless, the basic

question relating to the practical meaning of that status remained unresolved. There was dialogue and genuine goodwill between the United Nations and NGOs, but there were problems in the practical application of that goodwill on a daily basis. The NGOs themselves needed to improve their capacities to interact effectively with the United Nations and its organs. Measures to improve such cooperation were in hand.

The Council was dealing with a wide range of real problems confronting communities throughout the world and it was crucial to examine the extent to which that work was influencing the everyday lives of the people living in those communities. NGOs had an opportunity to influence those communities directly because of their contact with constituencies in the field rather than in conference halls. NGO input therefore gave meaning to the deliberations undertaken by the Council.

NEW AND INNOVATIVE IDEAS FOR GENERATING FUNDS (agenda item 14) (A/52/203-E/1997/85)

Mr. KHAN (Division for Policy Coordination and Economic and Social Council Affairs), introducing the Secretary-General's report (A/52/203-E/1997/85), said that, while there was some overlap with other reports relating to funding, consideration of which was still pending, the two main options for further study were public-private partnerships in mobilizing finance for achieving development objectives, and national charges and fees, drawing particularly upon national experience in the area of environmental protection. Outlining the areas covered by sections A and B of the report, which considered public-private partnership and national charges and fees respectively, he pointed out that, in each of those areas, the report contained specific recommendations for the Council.

In conclusion, he drew the attention of the Council to the recommendation that the ideas presented in the report should be pursued in the context of the work of the relevant functional commissions, where mobilization of resources could be related to specific programmes and goals as a key element of the strategy for the implementation of the outcomes of the major United Nations conferences. The Council itself needed to address those issues in the broader context of examining funding mechanisms of a cross-sectoral or non-specific nature. They could then be examined in greater depth through expert bodies such as the Committee for Development Planning.

Mr. AARDAL (Observer for Norway) said that his delegation supported the Secretary-General's proposal to establish an Office for Development Financing. Apart from serving as a focal point for generating new and innovative financial mechanisms, it could also draw on the work of internationally recognized experts in that field. While his Government was pleased to have contributed to the report, it would have liked to have seen some reference to the study it had mentioned in its reply to the Secretariat.

It was most regrettable that so few Governments had responded to the request for information. In view of the scarcity of replies, he wondered if there was sufficient basis for the rather categorical conclusions in paragraph 10 of the report. Furthermore, the report focused unduly on information provided in those replies and did not adequately address other possibilities which might hold some potential. The point was all the more relevant since, according to Council resolution 1996/48, the report was to review the modality and feasibility, as well as costs and benefits, of the implementation of new and innovative ideas for generating funds.

There was no doubt as to the need for additional funds to implement sustainable human development activities, and obtaining such funds would require innovative ideas. He drew the Council's attention to a seminar held at Stockholm in March 1997 which had discussed "A New Paradigm of Financial Development and Development Cooperation" organized by the UNDP Office of Development Studies. That seminar had concluded that private finance for sustainable human development was not a contradiction in terms.

His Government firmly believed that any new and innovative funds should be additional to ODA and should not be used for core purposes. At the same time, it wished to stress the potential of ODA as a leverage for private-sector funds.

A realistic assessment would indicate that additional funds must originate mainly from countries other than the traditional donors and/or through new and innovative funding mechanisms. He emphasized, however, that his Government did not use such discussions as a pretext for failing to meet commitments agreed at the recent global conferences.

The implementation of new forms of taxation and service and user fees, along with various schemes mentioned under public-private partnership, deserved further study and consideration.

There was a need for follow-up and the establishment of proper links to the intergovernmental processes. His delegation supported the proposal in paragraph 46 of the report that the functional commissions should be given the responsibility to continue working on various proposals for the financing of their respective fields of activity. It was evident that the issues under discussion would be central to the overall United Nations reform efforts and in discussions on securing additional funds for sustainable human-development activities.

Mr. WINNICK (United States of America) said his delegation agreed with the underlying premise of the Secretary-General's report, in particular, that the private sector was a primary source of financing for meeting development objectives and that schemes for charges and taxes on international transactions were not viable. The ability to levy taxes was one of the fundamental attributes of national sovereignty and, as such, it was not a power which should be ceded or transferred to intergovernmental bodies.

Several of the ideas proposed by the Secretary-General on public-private partnerships had potential for successful implementation, and his Government endorsed the view that private-sector involvement held the key to fostering economic growth in the developing world. Private investment could finance successful development projects while meeting international standards of sustainable development and providing a return to investors.

He was pleased to note that, in the chapter on charges and fees, there was considerable focus on national measures, which could be seen as an outline for future work in the area of best practices. His Government believed that various user fees and fees for services including at the national level were fundamentally different from the issue of taxation and might be explored further. It was also interested in joint implementation and tradeable emission permits. The suggestions regarding IMF and special drawing rights (SDRs) were interesting and should be pursued further in the appropriate bodies. Micro-credit had considerable potential for development and, to the extent to which micro-credit programmes included mechanisms for mobilizing savings, they would seem to contribute to the concept of new and innovative ideas for financing.

In conclusion, he assured the Council that his country's national experts would continue to give detailed consideration to the report and his Government looked forward to working with the Secretary-General, other Member

States and the private sector to encourage the implementation of some of the concepts proposed.

Ms. SCHOSSELER (Luxembourg) said that the European Union had submitted its ideas on the subject under discussion, indicating that there should be a clear distinction between newly generated funds and those used for the financing of the regular and peacekeeping budgets of the United Nations, that such funds should complement ODA and contribute to the financing of global development priorities agreed upon at the major international conferences.

The Union had noted that the report was more limited in scope than the paper distributed by the Secretariat at the Council's previous session and dealt with modalities of financing that were outside the Council's decision-making power. Nevertheless, the Union welcomed the attention paid to the potential of the private sector, at the national and international levels, with public-sector support. Environment protection could also provide financial incentives for sustainable development, and certain aspects of the report required further development in that regard.

The Union wished to express its disappointment, however, at the limited number of countries which had responded to the Secretary-General during the preparation of the report on that crucial issue. The report represented an important platform for future discussion in which the Union expected to participate actively. In that context, she wished to inform the Council that the Netherlands was to host a seminar on new financial mechanisms in the autumn of 1997.

The Union had noted with interest the suggestions contained in the report of the Secretary-General entitled "Renewing the United Nations - A Programme for Reform" on the financing of development activities.

Mr. MCHUMO (Observer for the United Republic of Tanzania), speaking on behalf of the Group of 77 and China, said that the major international conferences had led to a broader understanding of objectives, goals and commitments in fostering dynamic, durable and feasible international development cooperation. There had been increased realization that globally agreed commitments and priorities were being ignored and not evolving as expected. ODA targets were not being met and ODA had, in fact, declined to its lowest level in 10 years. Furthermore, such assistance was increasingly

being channelled to fund emergency relief and peacekeeping activities rather than support long-term development needs.

Developing countries were confronted with an unfavourable international economic environment and, at the same time, had undertaken various measures to implement commitments, such as structural adjustment reforms and environment protection. The report of the Secretary-General under discussion was a welcome attempt to initiate intergovernmental dialogue in addressing initiatives and actions urgently needed to stimulate dynamic international cooperation for development.

While the theoretical basis of most of the proposals were understandable, the elaboration and explicit identification in terms of best practices in different countries was lacking. With reference to paragraph 8 of the report, he said that there was a need for elaboration and hoped the existing mechanisms such as the Enhanced Structural Adjustment Facility (ESAF) and Multilateral Investment Guarantee Agency (MIGA) could be possible options for new and innovative ideas for finance and development.

In paragraphs 11 to 14, there was an overriding assumption that the banking and credit system and information technology were functioning well, but that was not the case in many developing countries. Likewise, it was assumed that there was a dynamic private sector, while the reality was that, in many countries, the private sector was in the early stages of growth. It would be useful to make an assessment of national and international experience of private-sector contribution and the resulting impact on development.

The proposal that investment incentive in aid delivery could be combined with trade preferences, as discussed in paragraph 21, needed clarification in order to avoid the issue of "tied aid" and conditionality. It would have been useful to know the volume of resources generated and used by multilateral agencies, mentioned in paragraphs 41 and 42. Lastly, the report had not addressed the feasibility and effectiveness of technical cooperation among developing countries (TCDC) in the mobilization and use of financial and technical resources.

Options which were feasible, durable and capable of implementation for new and innovative mechanisms must take into account the imperfections of the market place and the unlevel playing field between developed and developing countries. Although there was no doubt that the report presented some innovative ideas on the generation of funds, it was the view of many

developing countries that emphasis should continue to be placed on ODA and the technical assistance provided by developed countries. The approach presented in the report could only be complementary to the existing modalities, and it was particularly crucial to ensure that ODA flows were given more impetus with a view to attaining the target of 0.7 per cent of the developed countries' gross national product (GNP) as previously agreed.

The meeting rose at 6.15 p.m.